

Namibia – The New Manufacturing, Testing and Export Platform for Automotive Companies Serving the Dynamic Southern African and International Markets

Located within Africa’s leading automotive region and situated on the Atlantic shore of southern Africa, Namibia has caught the eye of investors from the automotive industry and continues to attract attention. Automotive companies find optimal and cost-effective conditions to set up their operations, establishing Namibia not only as a top location for automotive testing, but also as a promising new manufacturing and export platform.



Regional eco-system of OEMs and automotive suppliers

Namibia is integrated into the dynamic regional network consisting of about 20 OEMs and more than 360 automotive component suppliers and specialized service providers. A growing Namibian supplier base is producing metal parts and off-road equipment, exporting, for example, components to OEMs in Europe and meeting the strong demand of the regional off-road market.



Strategic location, first class infrastructure and market access

The strategic location and outstanding transport infrastructure make Namibia the ideal choice for automotive companies seeking to integrate into regional value-chains as well as those looking for an export platform to serve the overseas markets.



The highly efficient Port of Walvis saves shipping and handling time to and from Europe and the Americas of more than 6 days compared to South African ports and the integrated regional network of well-tarred roads allows save and fast transit to the regional market.



Automotive exports produced in Namibia have duty free access to the Southern African Customs Union (South Africa, Botswana, Lesotho, Swaziland) and enjoy preferential access Europe, as well as the US and the South American Mercosur common market due to Namibia’s favorable trade agreements.

Dedicated automotive park

Automotive companies can start their operations in Namibia without delay by leasing modern production facilities at, for instance, the !Nara Namib Industrial Estate. Located in Walvis Bay, the brand new estate is part of Namibia’s broad portfolio of production facilities available to the automotive sector and can be customized to fit specific production processes.

Optimal conditions for automotive testing

Namibia is becoming a preferred location for automotive testing in hot, dry and sunny conditions. Low population and traffic density combined with excellent infrastructure are allowing OEMs to accumulate mileage safely and quickly at low visibility.



Labour force and training support

The Namibia Institute of Mining and Technology (NIMT), specialized in engineering trades, as well as the Namibia Training Authority (NTA) offer vocational education and training courses tailored to the automotive industry, giving investors access to a young and motivated workforce ready to apply their skills.

Competitive labour costs and stable labour relations

The labour costs between 250 and 300 Euros per month for the average worker in the Namibian automotive industry are highly competitive on a regional and international scale.

Namibian unionization is rather moderate and labour relations are remarkably stable. The economy is not affected by labour disputes and union related disruptions.

Stable and cost-competitive power supply

Investors can rely on efficient and cost-competitive utility supply. Namibian industries do not face any of the constraints or disruptions due to unstable power supply that are all too common in Sub-Saharan Africa.

Generous incentive packages

Namibia offers an attractive set of incentives to investors from the automotive industry setting up manufacturing and assembly operations in the country. Especially export-oriented automotive manufacturers benefit from the generous incentives offered under the Export Processing Zone (EPZ) scheme granting exemption from corporate, import and value added tax for the duration of 10 years.

Strong and industry-friendly investment climate

The government is committed to the promotion and support of industrial development and has named the automotive industry a priority sector in its Execution Strategy for Industrialization.

The favourable macroeconomic outlook, including an estimated GDP growth of 6.1% in 2014 and a projected 5.9% increase for 2015, contribute to a measurably strong business and investment confidence among foreign investors and local actors in the Namibian business community.

High quality of life and social stability

Growing prosperity and the perpetually high level of safety and stability make Namibia a great place to live. Globally integrated, Namibia's economy provides all necessities and comforts of modern day life.

In recognition of the consolidation of democracy and social and economic development in Namibia, former President Hifikepunye Pohamba was awarded the Ibrahim Prize for Achievement in African leadership in 2014.



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